

# WAIVER OF SECTION 402(a) OF THE CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 9

JUNE 28 (legislative day, May 18), 1977.—Ordered to be printed

Mr. MUSKIE, from the Committee on the Budget,  
submitted the following

## REPORT

[To accompany S. Res. 204]

The Committee on the Budget, to which was referred the resolution, Senate Resolution 204, waiving section 402(a) of the Congressional Budget and Impoundment Control Act of 1974 with respect to consideration of S. 9, to authorize funds for the management of Outer Continental Shelf oil and natural gas and the protection of the marine and coastal environment, having considered the same, reports favorably thereon and recommends that the resolution be agreed to.

### PURPOSE OF THE RESOLUTION

Section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House or the Senate to consider any bill or resolution which directly or indirectly authorizes the enactment of new budget authority for a fiscal year unless that bill or resolution is reported in the House or Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year. Because S. 9, which authorizes enactment of new budget authority which would become available in fiscal 1977 and fiscal 1978, was reported on June 21, 1977, a resolution waiving section 402(a) of the Budget Act with respect to S. 9 must be adopted before this bill can be considered by the Senate. In reporting favorably on the resolution, the Budget Committee is simply recommending that the Senate proceed to consideration of S. 9 and is not prejudging the merits of the bill.

### *Committee criteria*

The Budget Committee is extremely reluctant to recommend the adoption of resolutions waiving section 402(a) of the Budget Act. This section was included in the Budget Act to insure that all authoriz-

ing legislation is considered as far as possible in advance of the fiscal year in which it will take effect so that it could be considered in the formulation of the first concurrent resolution. In addition, this section was included to provide the Appropriations Committee with some reasonable notice of needed appropriations for the coming fiscal year so that the Appropriations Committee can meet the appropriations timetable spelled out in the Budget Act.

Legislation authorizing the enactment of new budget authority which is reported to the Senate after May 15 could delay the enactment of appropriations bills past the Budget Act deadline of 7 days after Labor Day for the completion of the entire appropriations process. The legislative history of the Budget Act indicates that the May 15 reporting deadline is not to be lightly waived. Under these circumstances, the Budget Committee, in deciding whether to favorably report resolutions waiving section 402(a) of the Budget Act, will consider factors including: The reporting committee's effort to meet the May 15 deadline, the delay in the appropriations process engendered by the late reporting of the authorization, and whether the enactment of the authorization will significantly affect the national priorities established in the congressional budget.

#### BUDGET IMPLICATIONS

S. 9 authorizes appropriations of \$70 million for fiscal year 1977, \$56 million for fiscal year 1978 and approximately \$20 million per year for fiscal year 1979-1982. The bill also indirectly authorizes \$54 million for fiscal year 1978.

According to the Committee on Energy and Natural Resources, S. 9 has as its purpose to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act and other purposes. The bill calls for the expeditious development of the OCS with environmental safeguards and the maintenance of competition. It authorizes a wide variety of new bidding systems designed to decrease the front-end cash required for leases; it provides for increased grants to States to ameliorate adverse impacts resulting from OCS energy development activities and establishes two funds—the Offshore Oil Pollution Compensation Fund and the Fishermen Contingency Fund.

While the budget authority and outlays estimated for the measure can be accommodated within the congressional budget ceilings for both fiscal year 1977 and fiscal year 1978, S. 9 will result in an estimated loss of OCS receipts of \$250 million in fiscal year 1978. As a consequence, the targets for function 950 may be breached by that amount if previous estimates do not change.

The Energy and Natural Resources Committee made a good faith effort to comply with the May 15 reporting deadline, but the committee was delayed in reporting the bill because a number of major bills on the subject were not within its jurisdiction until the passage of Senate Resolution 4 under which the Senate was reorganized. The administration did not submit its energy plan to Congress until April 20, 1977.

Consideration of S. 9 will not delay the appropriations process since funding could be accommodated in a supplemental. The dollar amounts of this bill will not have a significant macroeconomic impact.

Under these circumstances the Budget Committee reports favorably on Senate Resolution 204 and recommends that it be adopted.

